FEDERAL ENERGY REGULATORY COMMISSION

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NEWS RELEASE

NEWS MEDIA CONTACT:
Celeste Miller
(202) 208-0680

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ALTERNATIVE LICENSING PROCESS SPEEDS UP ISSUANCE OF LICENSE FOR HYDROELECTRIC PROJECTS

Only one year after filing its application to relicense two of its hydroelectric projects, Avista Corporation today was awarded a new license by the Federal Energy Regulatory Commission. On average, hydroelectric projects undergoing relicensing using the traditional process take three years to complete from the date a license application is filed.

The alternative process, which was codified in October 1997, is designed to improve communication and conflict resolution among interested parties earlier in a licensing process that is flexible and tailored to the circumstances of each case.

When using the alternative process, which is voluntary, the pre-filing consultations, the environmental review process, and discussions of areas of potential disagreement can occur simultaneously if the various parties agree to this approach. By dealing with these issues earlier rather than after a filing, the licensing process can be shortened, and contentious issued resolved, without compromising licensing standards or opportunities for the public to participate.

Commented Chairman James J. Hoecker: "The Clark Fork Project proves something most people like to think they know–that collaboration, advance planning, and a determination to take account of all relevant interests actually works! Our collaborative process has worked here to the satisfaction of the parties despite the size and importance of the projects. And, as we have said about processes Commission-wide, we are committed to reducing processing time in response to a dynamic business environment."

Currently, over 30 percent of the projects undergoing relicensing before the Commission are using or considering using the alternative process. On average, it takes under a year to complete a case using this process from the time the application is filed–more than a 60 percent reduction of the average time span under the traditional approach, with its sequential gathering of evidence.

The license issued today is for the 231-megawatt Cabinet Gorge and the 466-megawatt Noxon Rapids Hydroelectric Projects on the Clark Fork River in northern Idaho and northwestern Montana, respectively. The projects previously had separate licenses, but today's license includes both projects, which have been renamed the Clark Fork Project.

Participants in the process represented nearly 40 organizations, including federal and state agencies, Native Americans, special interest groups, conservation groups, property owners and Avista. The group considered numerous issues, including fishery resources, water resources, wildlife and wetlands issues, land use and recreation matters, and cultural resources.

Included in the license was a settlement agreement that was filed with the application. It includes plans for immediate measures for protecting, mitigating and enhancing the resources affected by the projects.

The power generated by the Clark Fork Project helps to meet the needs of Avista customers and other utilities in Idaho and Washington. In addition, the project helps the Northwest electrical system during emergency situations or difficult weather by responding within minutes to outages at generating stations elsewhere.